



[OMB No. 3064-0139; -0169; -0189; -0202]

Agency Information Collection Activities: Proposed Collection Renewal; Comment Request

AGENCY: Federal Deposit Insurance Corporation (FDIC).

ACTION: Notice and request for comment.

SUMMARY: The FDIC, as part of its obligations under the Paperwork Reduction Act of 1995, invites the general public and other Federal agencies to take this opportunity to comment on the request to renew the existing information collections described below (OMB Control No. 3064-0139, -0169, -0189, and - 0202). The notice of the proposed renewal for these information collections was previously published in the *Federal Register* on September 14, 2022, allowing for a 60-day comment period.

DATES: Comments must be submitted on or before **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

ADDRESSES: Interested parties are invited to submit written comments to the FDIC by any of the following methods:

- *Agency Website:* <https://www.fdic.gov/resources/regulations/federal-register-publications/>.
- *Email:* comments@fdic.gov. Include the name and number of the collection in the subject line of the message.
- *Mail:* Manny Cabeza (202-898-3767), Regulatory Counsel, MB-3128, Federal Deposit Insurance Corporation, 550 17th Street NW, Washington, DC 20429.
- *Hand Delivery:* Comments may be hand-delivered to the guard station at the rear of the 17th Street NW building (located on F Street NW), on business days between 7:00 a.m. and 5:00 p.m.

Written comments and recommendations for the proposed information collection should

be sent within 30 days of publication of this notice to

www.reginfo.gov/public/do/PRAMain. Find this particular information collection by selecting "Currently under 30-day Review - Open for Public Comments" or by using the search function.

FOR FURTHER INFORMATION, CONTACT: Manny Cabeza, Regulatory Counsel, 202-898-3767, mcabeza@fdic.gov, MB-3128, Federal Deposit Insurance Corporation, 550 17th Street NW, Washington, DC 20429.

SUPPLEMENTARY INFORMATION:

Proposal to renew the following currently approved collection of information:

1. Title: CRA Sunshine

OMB Number: None.

Affected Public: Insured state nonmember banks and state savings associations and their affiliates and nongovernmental entities and persons.

Burden Estimate:

Summary of Estimated Annual Burden (OMB No. 3064-0139)					
Information Collection (Obligation to Respond)	Type of Burden (Frequency of Response)	Number of Respondents	Number of Responses per Respondent	Time per Response (HH:MM)	Annual Burden (Hours)
1. Reporting burden by covered banks - list of agreements, 12 CFR 346.6(d)(1)(ii) (Mandatory)	Reporting (On occasion)	1	1	1:00	1
2. Reporting burden by covered banks - copies of agreements, 12 CFR 346.6(d)(1)(i) (Mandatory)	Reporting (On occasion)	1	1	1:00	1
3. Reporting burden by NGEs - copies of agreements, 12 CFR 346.6(c) (Mandatory)	Reporting (On occasion)	1	1	1:00	1
4. Reporting burden by covered banks - annual report, 12 CFR 346.7(b) (Mandatory)	Reporting (Annual)	3	1	4:00	12

5. Reporting burden by NGEPS - annual report, 12 CFR 346.7(b) (Mandatory)	Reporting (Annual)	4	1	4:00	16
6. Reporting burden by covered banks - filing NGEPS report, 12 CFR 346.7(f)(2)(ii) (Mandatory)	Reporting (Annual)	3	1	1:00	3
7. Disclosure burden by covered banks - covered agreements to public, 12 CFR 346.6(b) (Mandatory)	Disclosure (On occasion)	3	1	1:00	3
8. Disclosure burden by NGEPS - covered agreements to public, 12 CFR 346.6(b) (Mandatory)	Disclosure (On occasion)	4	1	1:00	4
9. Disclosure burden by covered banks to NGEPS - CRA affiliate activities, 12 CFR 346.4(b) (Mandatory)	Disclosure (On occasion)	1	1	1:00	1
Total Annual Burden (Hours):					42
Source: FDIC.					

General Description of Collection: This collection implements a statutory requirement imposing reporting, disclosure and recordkeeping requirements on some community reinvestment-related agreements between insured depository institutions or affiliates, and nongovernmental entities or persons. The information assists interested members of the public in assessing whether the parties are fulfilling their agreements, and helps the agencies understand how the institutions they regulate are fulfilling their CRA responsibilities.

There is no change in the method or substance of the collection. The overall reduction in burden hours is the result of economic fluctuation. In particular, the decline in the estimated overall annual time burden from 100 hours in 2021 to 42 hours in 2022 is the result of a reduction in the number of banks and NGEPS reporting.

2. Title: Qualifications for Failed Bank Acquisitions

OMB Number: 3064-0169.

Form Number: None.

Affected Public: Insured state nonmember banks and state savings associations.

Burden Estimate:

Summary of Estimated Annual Burden (OMB No. 3064-0169)					
Information Collection (Obligation to Respond)	Type of Burden (Frequency of Response)	Number of Respondent s	Number of Responses per Respondent	Time per Response (HH:MM)	Annual Burden (Hours)
1. Section D – Investor Reports on Affiliates (Required to Obtain or Retain a Benefit)	Third-Party Disclosure (Annual)	3	12	2:00	72
2. Section E – Maintenance of Business Books and Records (Required to Obtain or Retain a Benefit)	Recordkeeping (Annual)	3	4	2:00	24
3. Section I – Disclosures Regarding Investors and Entities in Ownership Chain (Required to Obtain or Retain a Benefit)	Reporting (On occasion)	1	1	4:00	4
Total Annual Burden:					100
Source: FDIC.					

General Description of Collection: The FDIC's policy statement on Qualifications for Failed Bank Acquisitions provides guidance to private capital investors interested in acquiring or investing in failed insured depository institutions regarding the terms and conditions for such investments or acquisitions. The information collected pursuant to the policy statement allows the FDIC to evaluate, among other things, whether such investors (and their related interests) could negatively impact the Deposit Insurance Fund, increase resolution costs, or operate in a manner that conflict with statutory safety and soundness principles and compliance requirements.

There is no change in the method or substance of the collection. The overall reduction in burden hours is due to economic fluctuations. In particular, no private capital investors have attempted to bid on failed banks in the years since the last financial crisis. FDIC is using a placeholder estimate of 1 respondent in recognition that a private capital group could participate in the bidding process.

3. Title: Stress Testing Recordkeeping and Reporting

OMB Number: 3064-0189.

Form Number: None.

Affected Public: Insured state nonmember banks and state savings associations.

Burden Estimate:

Summary of Estimated Annual Burden (OMB No. 3064-0189)					
Information Collection (Obligation to Respond)	Type of Burden (Frequency of Response)	Number of Respondents	Number of Responses per Respondent	Time per Response (HH:MM)	Annual Burden (Hours)
1. Annual Stress Test Reporting Template and Documentation for covered banks, 12 CFR Part 325.6- (Mandatory)*	Reporting (Biennial)	1	1	80:00	80
2. Methodologies and Practices for covered banks, 12 CFR Part 325.5 (Mandatory)*	Recordkeeping (Biennial)	1	1	213:00	213
3. Publication - covered banks, 12 CFR Part 325.7 (Mandatory)*	Third-Party Disclosure (Biennial)	1	1	53:00	53
4. Documentation of Assumptions, Uncertainties and Limitations for FDIC-supervised IDIs with total consolidated assets of \$10 billion or more, 2009 Interagency Guidance (Voluntary)	Recordkeeping (Annual)	56	1	40:00	2,240

5. Summary of Test Result for FDIC-supervised IDIs with total consolidated assets of \$10 billion or more, 2009 Interagency Guidance (Voluntary)	Recordkeeping (Annual)	56	1	40:00	2,240
6. Policies and Procedures for FDIC-supervised IDIs with total consolidated assets of \$10 billion or more, 2009 Interagency Guidance (Voluntary)	Recordkeeping (Annual)	5	1	180:00	900
Total Annual Burden (Hours):					5,726
Source: FDIC.					

General Description of Collection: The Federal Deposit Insurance Corporation (FDIC) has issued a rule requiring periodic stress testing by FDIC-supervised institutions having more than \$250 billion in total assets, consistent with changes made by Section 401 of the Economic Growth, Regulatory Relief, and Consumer Protection Act (EGRRCPA). Section 165(i)(2) of the Dodd-Frank Act requires each primary Federal regulator to issue consistent and comparable regulations to: (1) ensure that certain financial companies conduct stress tests; (2) establish the form and content of the required reports of such stress tests, and (3) require companies to publish a summary of the stress test results. As originally enacted, section 165(i)(2)(C) applied to all IDIs with average total consolidated assets of \$10 billion or greater, required such IDIs to conduct annual stress tests, and required the use of three scenarios: baseline, adverse, and severely adverse. Consistent with the requirements of section 165(i)(2)(C), as originally enacted, the FDIC published its Final Rule implementing Section 165(i)(2) on October 15, 2012.¹ The requirements under part 325 applied to FDIC-supervised IDIs with average total consolidated assets of \$10 billion or greater.

¹ See <https://www.govinfo.gov/content/pkg/FR-2012-10-15/pdf/FR-2012-10-15.pdf> (pp. 8 – 18). While the Dodd-Frank Act specified a total consolidated asset size threshold of \$10 billion, it did not specify a calculation methodology. As such, the FDIC’s implementing regulations determined applicability by assessing *average* total consolidated assets over the last four consecutive Call Reports.

The Economic Growth, Regulatory Relief, and Consumer Protection Act (EGRRCPA), enacted on May 24, 2018, amended certain aspects of the company-run stress-testing requirements in section 165(i)(2) of the Dodd-Frank Act. Specifically, section 401 of EGRRCPA raises the minimum asset threshold from \$10 billion² to \$250 billion³; replaces the requirement for covered banks to conduct stress tests “annually” with the requirement to conduct stress tests “periodically;” and no longer requires the “adverse” stress-testing scenario, thus reducing the number of required stress test scenarios from three to two. EGRRCPA also makes certain conforming and technical changes that were previously included in an April 2018 notice of proposed rulemaking⁴ that was superseded, in part, by the enactment of EGRRCPA. The EGRRCPA amendments to the section 165(i)(2) stress testing requirements became effective eighteen months after enactment.

The FDIC’s Final Rule⁵ implementing EGRRCPA specified that, in light of the frequency change from “annually” to “periodically,” stress tests would be conducted biennially, unless the covered bank is consolidated under a bank holding company that is required by Federal Reserve Board to conduct annual stress tests, in which case such IDI subsidiaries are also to conduct annual stress tests.⁶

² See <https://www.govinfo.gov/content/pkg/FR-2012-10-15/pdf/2012-25194.pdf>.

³ See <https://www.govinfo.gov/content/pkg/FR-2019-10-24/pdf/2019-23036.pdf>.

⁴ <https://www.federalregister.gov/documents/2018/04/02/2018-06162/annual-stress-test-applicability-transition-for-covered-banks-with-50-billion-or-more-in-assets>.

⁵ See <https://www.govinfo.gov/content/pkg/FR-2019-10-24/pdf/2019-23036.pdf>.

⁶ See <https://www.federalregister.gov/documents/2018/11/29/2018-24464/prudential-standards-for-large-bank-holding-companies-and-savings-and-loan-holding-companies> - Category I and Category II bank holding companies and their IDI subsidiaries are required to stress test annually.

The aspects of part 325 that constitute an information collection are those that require a banking organization to (i) file stress test reports to be filed periodically with the FDIC and the Board of Governors of the Federal Reserve System (the Board) in the time, manner, and form specified by the FDIC (12 CFR 325.6); (ii) establish and maintain a system of controls, oversight, and documentation, including policies and procedures that describe the covered bank's stress test practices and methodologies, as well as processes for updating such bank's stress test practices, as well as specific calculations that must be made by the banking organization during its stress tests (12 CFR 325.5); and (iii) publish a summary of the results of its stress tests (12 CFR 325.7).

On May 17, 2012, the Federal Deposit Insurance Corporation (FDIC), the Office of the Comptroller of the Currency (OCC), and the Board of Governors of the Federal Reserve (FRB), published the 2012 Interagency Guidance on the use of stress testing as a means to better understand the range of a banking organization's potential risk exposures. The guidance is intended for IDIs with total consolidated assets of more than \$10 billion⁷ and provides an overview of how a banking organization should structure its stress testing activities to ensure they fit into the banking organization's overall risk management program. The purpose of the guidance is to outline broad principles for a satisfactory stress testing framework and describe the manner in which stress testing should be used, that is as an integral component of risk management applicable at various levels of aggregation within a banking organization as well as a tool for capital

⁷ The \$10 billion asset threshold in the 2012 Interagency Guidance was calculated using total consolidated assets as of the most recent period, instead of the four-quarter rolling average of total consolidated assets that was used in determining eligibility for stress tests under the Dodd-Frank Act. However, the 2012 Interagency Guidance also recommends that "banking organizations with assets near the threshold should use reasonable judgment and consider, in conjunction with their primary federal supervisor as appropriate, whether they should consider preparing to follow the guidance." See <https://www.federalregister.gov/documents/2012/05/17/2012-11989/supervisory-guidance-on-stress-testing-for-banking-organizations-with-more-than-10-billion-in-total>.

and liquidity planning. The 2012 Interagency Guidance recommends that IDIs stress test in coordination with their “overall strategy and annual planning cycles” and assess and review their stress testing frameworks at least once a year to ensure that stress testing coverage is comprehensive, tests are relevant and current, methodologies are sound, and results are properly considered.”

The aspects of the 2012 Interagency Guidance that constitute an information collection are the provisions that state a banking organization should (i) have a stress testing framework that includes clearly defined objectives, well-designed scenarios tailored to the banking organization’s business and risks, well documented assumptions, conceptually sound methodologies to assess potential impact on the banking organization’s financial condition (Section II); (ii) maintain an internal summary of test results to document at a high level the range of its stress testing activities and outcomes, as well as proposed follow-up actions (Section III); and (iii) have policies and procedures for a stress testing framework (Section VI).

There has been no change in the substance or methodology of this information collection. The 1,386 hour increase in total estimated annual burden from 4, 340 hours in 2019 to 5,726 hours currently is driven by an increase in the number of FDIC-supervised IDIs that have at least \$10 billion in total consolidated assets, which results in an increase in the estimated number of respondents for IC 4 and IC 5 from 39 to 56 each, as well as an increase in the estimated number of annual respondents in IC 6 from 1 to 5. This change is attenuated by the change in stress testing frequency for institutions subject to stress testing requirements under the Dodd-Frank Act, as amended by EGRRCPA, from annually to biennially.

4. Title: Recordkeeping for Timely Deposit Insurance Determination

OMB Number: 3064-0202.

Form Number: None.

Affected Public: Insured state nonmember banks and state savings associations.

Burden Estimate:

Summary of Estimated Annual Burden (OMB No. 3064-0202)					
Information Collection (Obligation to Respond)	Type of Burden (Frequency of Response)	Number of Respondents	Number of Responses per Respondent	Time per Response (HH:MM)	Annual Burden (Hours)
1. Implementation - Lowest Complexity, 12 CFR 370 (Mandatory)	Recordkeeping (Annual)	1	1	3145:00	3,145
2. Implementation - Middle Complexity, 12 CFR 370 (Mandatory)	Recordkeeping (Annual)	1	1	5960:00	5,960
3. Implementation - Highest Complexity, 12 CFR 370 (Mandatory)	Recordkeeping (Annual)	1	1	36307:00	36,307
4. Ongoing - Lowest Complexity, 12 CFR 370 (Mandatory)	Recordkeeping (Annual)	3	1	5:00	15
5. Ongoing - Middle Complexity, 12 CFR 370 (Mandatory)	Recordkeeping (Annual)	15	1	60:00	900
6. Ongoing - Highest Complexity, 12 CFR 370 (Mandatory)	Recordkeeping (Annual)	10	1	20:00	200
7. Request for Exception, 12 CFR 370.8(b) (RtoB)	Reporting (On occasion)	1	1	20:00	20
8. Request for Release, 12 CFR 370.8(c) (RtoB)	Reporting (On occasion)	1	1	200:00	200
9. Request for Extension, 12 CFR 370.6(b) (RtoB)	Reporting (On occasion)	1	1	162:00	162
10. Request for Exemption, 12 CFR 370.8(a) (RtoB)	Reporting (On occasion)	1	1	163:00	163
11. Annual Certification and Report, 12 CFR 370.10(a) (Mandatory)	Reporting (Annual)	30	1	186:00	5,580
Total Annual Burden (Hours):					52,652

General Description of Collection: When a bank fails, the FDIC must provide depositors insured funds “as soon as possible” after failure while also resolving the failed bank in the least costly manner. The 12 CFR part 370 facilitates prompt payment of FDIC-insured deposits when large insured depository institutions fail. The rule requires insured depository institutions that have two million or more deposit accounts ("covered institutions"), to maintain complete and accurate data on each depositor’s ownership interest by right and capacity for all of the covered institution’s deposit accounts. The covered institutions are required to develop the capability to calculate the insured and uninsured amounts for each deposit owner, by ownership right and capacity, for all deposit accounts. This data would be used by the FDIC to make timely deposit insurance determinations in the event of a covered insured depository institution’s failure.

There is no change in the method or substance of the collection. The overall reduction in burden hours arises almost entirely from the reduction in the number of respondents for ICs 1-3 capturing the implementation burdens, especially the reduction in the number of covered institutions of Highest Complexity. The reduction for that IC alone is almost 400,000 hours per year.

Request for Comment

Comments are invited on: (a) Whether the collection of information is necessary for the proper performance of the FDIC’s functions, including whether the information has practical utility; (b) the accuracy of the estimates of the burden of the information collection, including the validity of the methodology and assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to

minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. All comments will become a matter of public record.

Federal Deposit Insurance Corporation.

Dated at Washington, DC, on November 8, 2022.

James P. Sheesley,

Assistant Executive Secretary.

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